State of California

History and outlook for distributed work/telework

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Current situation

- State workforce highly concentrated in centralized commuter offices in state-owned and leased space
- In Sacramento, large number of state offices in downtown buildings
- Office is a location and not a service

State of California Telework History

1987-1990

Telecommuting Pilot Project

- 200 state agency employees participate
- Most in Sacramento region

State of California Telework History

September 1988

Executive Order D-73-88

Citing increasing traffic congestion and role of state as major employer to take leadership role in resolving it, Gov. George Deukmejian issued executive order directing:

- State agencies implement a state employee transportation management program to achieve a 10% reduction in the number of commute trips by state employees during peak commute periods in congested urban areas
- The Department of General Services to expedite the Telecommuting Pilot Project

State of California Telework History June 1990

<u>Telecommuting Pilot Project</u> Final Report issued

Recommendations:

- Establish State Telecommuting Advisory Agency
- Expand pilot to all state agencies and create senior level telecommuting "champions" in each agency
- Since sizable number of telecommuters cannot work at home often but could work effectively in satellite centers, establish satellite offices as high priority
- Train managers and staff to think in terms of work results rather than work processes
- Develop uniform set of telecommuting guidelines for all agencies

Telework and State of California Legislative History

Government Code Section 14201 (1990)

- Every state agency shall review its work operations to determine where in its organization telecommuting can be of practical benefit to the agency. On or before July 1, 1995, each agency shall develop and implement a telecommuting plan as part of its telecommuting program in work areas where telecommuting is identified as being both practical and beneficial to the organization.
- Department of General Services develops policy, procedures, and guidelines.

Telework and State of California Legislative History

Government Code Section 14202 (1990)

Department of General Services shall establish a unit for the purpose of overseeing telecommuting programs:

(a) Coordinate and facilitate the interagency exchange of information regarding the state's telecommuting program, and establish and lead a multiagency telecommuting advisory group for these purposes.

(b) Develop and update policy, procedures, and guidelines to assist agencies in the planning and implementation of telecommuting programs.

(c) Assist state agencies in requesting the siting of satellite work stations and develop procedures to track the needs of agencies and identify potential office locations.

Telework and State of California Legislative History

Government Code Section 14203 (1990)

Each state agency shall evaluate its telecommuting program. The Department of General Services shall establish criteria for evaluating the state's telecommuting program and recommend modifications, if necessary.

Government Code Section 14201 (1994 amendment)

(a) The Legislature finds and declares the following:

(1) Telecommuting can be an important means to reduce air pollution and traffic congestion and to reduce the high costs of highway commuting.

(2) Telecommuting stimulates employee productivity while giving workers more flexibility and control over their lives.

(b) It is the intent of the Legislature to encourage state agencies to adopt policies that encourage telecommuting by state employees.

State of California Telework adoption

Survey of approximately 100 state agencies in 2012, and additional phone followup in 2013-14 comprising about 224,000 employees (excluding UC and CSU)

- Responding: 56 agencies, representing approx. 100,600 employees (45% of state employee population)
- 45 agencies report some amount of telework adoption
- Reported number of teleworkers: 3,934
- Total reported telework rate across all 56 responding agencies: 4%

Rate of teleworkers at agencies varies widely:

- Adoption rate range: 0-32% Average: 9% for agencies with telework programs
- Types of Telework included in survey: Formal (set hours/days) and ad hoc

Source: Telework Advisory Group, California Department of General Services, May 2014

State of California Impediments to telework adoption Policy issues

- Deukmejian administration adopted only some of Telecommuting Pilot Project Report recommendations and left participation up to individual state agencies on voluntary basis
- Subsequent administrations and legislatures inactive on issue since 1994
- State agencies developed policies permitting telework, but deferred adoption to manager discretion based on work unit needs
- Absent clear policy direction from Governor's Office, agency managers reluctant to implement work rules allowing work outside of state offices during normal business hours
- Fear of potentially negative public perception

State of California Impediments to telework adoption Workforce management issues

- While many job classifications are suited to telework, adoption tends to be limited to a few select professional classifications such as administrative law judges and attorneys
 - Rank and file analysts are non-exempt employees
- State workforce represented by more than 20 bargaining units
 - Telework a negotiated work rule and bargaining chip
- Close in, co-located supervision of rank and file staff by multiple layers of middle managers
- Conflict between managers and staff
 - Grievances by represented employees foster adversarial climate not conducive to professional relationships needed for distributed/telework

State of California Impediments to telework adoption Cultural factors

• Time-based "shop" and "pension prison" culture

- $\,\circ\,$ Work hours and days closely tracked
- Putting in time regarded as bargain for security of regular pay, benefits, defined benefit retirement plan
- Clerical/school culture
 - Office presence highly valued
 - Position listings frequently include "regular attendance" as job requirement
 - Deeply ingrained paper-based office practices; reluctant/late adopter of information and communications technology

State of California Impediments to telework adoption Cultural factors

- Command and control military "drill" culture
 - Physical presence of staff seen as work unit requirement
 - Staff expected to be at their workstations in case someone higher in chain of command wants something done on short notice/turnaround
 - Presence/stand ready expectation makes managers reluctant to have staff work outside of central office
- Employer of last resort

Little incentive to change culture to attract workers

State of California

Potential factors increasing distributed/telework adoption

- Gen Y moving deeply into workforce and will advance to state policymaking and leadership roles
- Retirement of "Old Guard" and boomers
- Recently appointed Government Operations Agency secretary reviewing job classifications and IT with stated goal of modernizing state government to attract new generation of workers. *Source*: <u>Sacramento Bee</u>, <u>December 29</u>, <u>2013</u>.

Thank you.

Questions?